

## REMARKS

Claims 1 – 7, 9 – 18, and 20 – 23 are in the application. Claims 1, 9, 20, and 23 are previously presented; claims 2 – 6, 21, and 22 are withdrawn; claims 8, 19, 24, and 25 are canceled; and claims 7 and 10 – 18 remain unchanged from the original versions thereof. Claims 1, 20, and 23 are the independent claims herein.

No new matter has been added to the application as a result of the amendments submitted herewith.

Reconsideration and further examination are respectfully requested.

### **Claim Rejections – 35 USC § 103**

Claims 1, 7, 9-18, and 20-23 are rejected under 35 U.S.C. 103(a) as being unpatentable over Freeman et al. U.S. Patent No. 6,249,775. This rejection is traversed.

Applicant notes that the Examiner remarked that regarding the most previously entered claimed amendments “a wherein clause that merely states the results of the limitations in the claim adds nothing to the patentability or substance of the claim”. (See Final Office Action, FOA, pg. 3) Applicant respectfully submits that the phrase of claim 1 stating “wherein the portfolio is associated with a plurality of credit rating categories and each of the plurality of credit rating categories of the portfolio is associated with a corresponding category size” **is not** a *result* of the claimed aspect of “determining base information associated with a commercial mortgage backed security portfolio associated with a plurality of mortgage loans”. Furthermore, the recited phrase of claim 1 of “wherein the additional mortgage loan is associated with a plurality of credit rating categories and each of the plurality of credit rating categories is associated with a corresponding category size” **is not** a *result* of the claimed aspect of “determining information associated with an additional mortgage loan to be added to the portfolio in accordance with a contribution of the additional mortgage loan to the portfolio, including

at least one desired profitability value for the additional mortgage loan". That is, the claimed "determining" aspects of the claims does not result in the aspects of the claims recited in the wherein statements of the claims.

Therefore, Applicant respectfully submits that the Examiner's remarks regarding the wherein statements of the claims is mistaken and improper in light of the cited case law. Applicant therefore submits that all aspects of the pending claims, including the "wherein" statements are due the full consideration of the Office with respect to a determination of the patentability and substance of the claims.

Applicant reiterates that claim 1 relates to a method to facilitate analysis of a commercial mortgage backed security portfolio including determining base information associated with a commercial mortgage backed security portfolio associated with a plurality of mortgage loans, wherein the portfolio is associated with a plurality of credit rating categories and each of the plurality of credit rating categories of the portfolio is associated with a corresponding category size; determining information associated with an additional mortgage loan to be added to the portfolio in accordance with a contribution of the additional mortgage loan to the portfolio, including at least one desired profitability value for the additional mortgage loan, wherein the additional mortgage loan is associated with a plurality of credit rating categories and each of the plurality of credit rating categories is associated with a corresponding category size. The method further includes calculating the loan spread associated with the additional mortgage loan in accordance with a contribution of the additional mortgage loan to the portfolio; calculating a combined profitability of the portfolio and the additional mortgage loan based on combined category sizes for the plurality of mortgage loans of the portfolio and the additional mortgage loan; and transmitting to a user terminal at least one loan spread value associated with the additional mortgage loan in accordance with the contribution of the additional mortgage loan to the portfolio via a communication network.

Applicant notes that the claimed method clearly includes (1) determining information associated with an additional mortgage loan to be added to the portfolio in accordance with a contribution of the additional mortgage loan to the portfolio, including at least one desired profitability value for the additional mortgage loan; (2) calculating the loan spread associated with the additional mortgage loan in accordance with a contribution of the additional mortgage loan to the portfolio; (3) calculating a combined profitability of the portfolio and the additional mortgage loan based on combined category sizes for the plurality of mortgage loans of the portfolio and the additional mortgage loan. Furthermore, Applicant respectfully submits that claim 1 is representative of the independent claims 1, 20 (related to an apparatus), and 23 (related to a medium storing instructions adapted to be executed by a processor).

Applicant respectfully submits that Freeman relates to an analysis of past and future performance of loan portfolios. According to Freeman, the disclosed method aggregates loan units into vintages where the loans in each vintage originate within a predetermined time interval of one another. (Freeman, Abstract and col. 3, ln. 13 - 21) Various vintages of the loan portfolio are compared and analyzed to determine past performance, as well as to predict future performance. (Freeman, col. 6, ln. 33 – 38) That is, Freeman explicitly discloses a method that analyzes historical loan portfolio data separated into particular vintages as a basis for ascertaining past performance and as a tool in predicting future performance.

Applicant respectfully submits that Freeman fails to disclose or even suggest the claimed aspect of determining information associated with an additional mortgage loan to be added to the portfolio..” since the Freeman method is fundamentally and explicitly based on historical information that has a common origination date. Further, Freeman does not disclose the claimed aspects of “calculating the loan spread associated with the additional mortgage loan” and the claimed aspect of “calculating a combined profitability of the portfolio and the additional mortgage loan”.

Applicant submits that the FOA is mistaken in stating that Freeman discloses the claimed aspect of “calculating a combined profitability of the portfolio and the additional mortgage loan”. by citing and relying on the disclosure corresponding to Freeman’s FIG. 5 since that figure does not disclose “different types of loans are described as being separately graphed” as alleged by the Office. Instead, Freeman FIG. 5 discloses a particular vintage of a portfolio with bars represented “BAD IN LASE 24 MON.” and “BAD IN NEXT 24 MON.” for the same vintage. That is, no different or additional mortgage combinations are illustrated by the different bar graphs since the bar grahns relate to the same vintage of loans, one looking forward and one looking backwards.

Accordingly, Applicant respectfully submits that the cited and relied upon Freeman does not disclose that for which it was cited and relied upon for disclosing. The disclosure of Freeman therefore fails to render claim 1 obvious.

Therefore, Applicant respectfully submits that claim 1 is patentable over the cited and relied upon Freeman under 35 USC 103(a) for at least the reasons discussed above. Furthermore, claims 7 - 18 depend from claim 1. Applicant respectfully submits that claims 7 – 18 are patentable over the cited and relied upon Freeman for at least the reasons discussed above regarding claim 1. Accordingly, Applicant requests the reconsideration and withdrawal of the rejection of claims 1 and 7 -18 and the allowance of same.

Claims 20 and 23 are worded similar to claim 1 regarding the additional mortgage loan to be added to the portfolio. Applicant respectfully submits that claims 20 and 23 are patentable over the cited and relied upon Freeman for at least reasons similar to those presented hereinabove regarding claim 1.

Accordingly, Applicant requests the reconsideration and withdrawal of the rejection of claims 20 and 23 and the allowance of same.

### **C O N C L U S I O N**

Accordingly, Applicants respectfully request allowance of the pending claims. If any issues remain, or if the Examiner has any further suggestions for expediting allowance of the present application, the Examiner is kindly invited to contact the undersigned via telephone at (203) 972-5985.

Respectfully submitted,

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